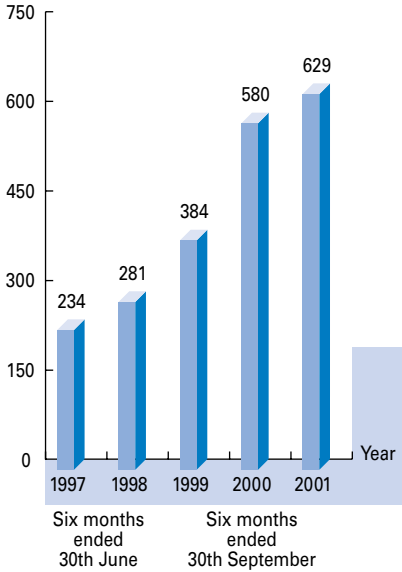


# FINANCIAL SUMMARY

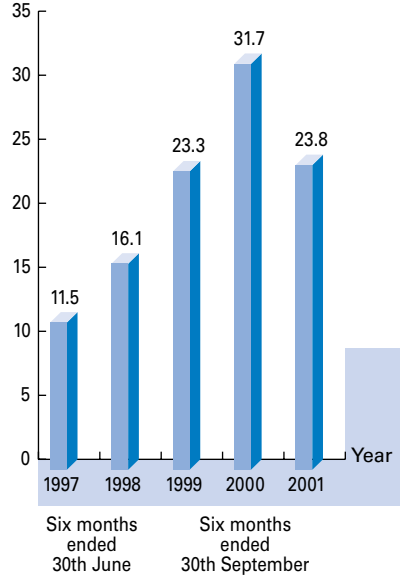
## Turnover

(HK\$ Million)



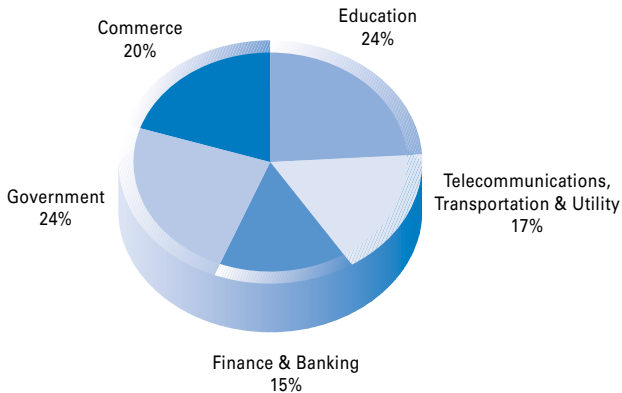
## Net Profit Attributable to Shareholders

(HK\$ Million)



## Turnover Analysis by Customers

(For the six months ended 30th September, 2001)



## INTERIM RESULTS

The Board of Directors (the "Directors") of Automated Systems Holdings Limited (the "Company") are pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the 6 months period ended 30th September, 2001 together with the comparative figures for the previous year as follows:-

### CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

		<b>(Unaudited)</b>	
		<b>Six months ended</b>	
		<b>30th September</b>	
		<b>2001</b>	<b>2000</b>
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
TURNOVER	(2)	628,501	580,478
Earnings before interest, taxation, depreciation and amortization expenses		22,991	42,717
Depreciation expenses		(14,253)	(10,031)
Amortization expenses		(2,025)	(1,538)
Other revenue		18,355	3,049
PROFIT FROM OPERATING ACTIVITIES	(3)	25,068	34,197
Finance costs		(1,939)	(2,356)
Share of profit less losses of associates		5,816	9,927
PROFIT BEFORE TAX		28,945	41,768
Tax	(4)	(5,183)	(10,366)
PROFIT BEFORE MINORITY INTERESTS		23,762	31,402
Minority interests		38	324
NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		23,800	31,726
Interim dividend	(5)	(5,806)	(8,547)
EARNINGS PER SHARE			
Basic	(6)	8.27 cents	11.14 cents
Diluted	(6)	8.20 cents	10.90 cents

## CONDENSED CONSOLIDATED BALANCE SHEET

		<b>(Unaudited)</b> <b>30th September</b> <b>2001</b>	<b>(Audited)</b> <b>31st March</b> <b>2001</b>
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>NON-CURRENT ASSETS</b>			
Fixed assets		174,825	157,196
Interest in associates		43,140	45,529
Intangible assets		3,806	4,531
Long term investments		900	900
		<u>222,671</u>	<u>208,156</u>
<b>CURRENT ASSETS</b>			
Inventories		174,528	203,027
Trade receivables	(7)	233,654	189,675
Other receivables		38,149	65,779
Tax recoverable		254	313
Cash and cash equivalents		83,720	152,247
		<u>530,305</u>	<u>611,041</u>
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	(8)	102,703	111,454
Unearned revenue		76,577	167,168
Tax payable		3,942	2,487
Other payables and accruals		99,230	107,849
Interest-bearing bank borrowings		110,450	81,407
		<u>392,902</u>	<u>470,365</u>
<b>NET CURRENT ASSETS</b>		137,403	140,676
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		360,074	348,832
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax		(5,984)	(5,984)
<b>MINORITY INTERESTS</b>		<u>(2,171)</u>	<u>(2,209)</u>
		351,919	340,639
<b>CAPITAL AND RESERVES</b>			
Issued capital		28,821	28,719
Reserves		317,292	303,211
Proposed dividend		5,806	8,709
		<u>351,919</u>	<u>340,639</u>

## CONDENSED CONSOLIDATED STATEMENT OF RECOGNISED GAINS AND LOSSES

	<b>(Unaudited)</b>	
	<b>Six months ended</b>	
	<b>30th September</b>	
	<b>2001</b>	<b>2000</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Exchange differences on translation of the financial statements of foreign entities	(4,729)	(1,056)
<b>Net losses not recognised in the income statement</b>	<b>(4,729)</b>	<b>(1,056)</b>
<b>Net profit for the period</b>	<b>23,800</b>	<b>31,726</b>
<b>Total recognised gains and losses</b>	<b>19,071</b>	<b>30,670</b>

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	<b>(Unaudited)</b>	
	<b>Six months ended</b>	
	<b>30th September</b>	
	<b>2001</b>	<b>2000</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	(89,632)	20,152
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	1,823	2,082
Interest paid	(1,939)	(2,356)
Dividend paid	(8,709)	(5,698)
Net cash outflow from returns on investments and servicing of finance	(8,825)	(5,972)
TAX		
Hong Kong profits tax paid	(2,652)	(480)
Overseas taxes paid	(78)	-
Net taxes paid	(2,730)	(480)
INVESTING ACTIVITIES		
Proceeds from partial disposal of associate	36,509	-
Purchases of fixed assets	(32,950)	(21,977)
Proceeds from disposal of fixed assets	851	374
Additions to deferred development costs	(1,300)	(4)
Net Cash inflow/(outflow) from investing activities	3,110	(21,607)
NET CASH OUTFLOW BEFORE FINANCING ACTIVITIES	(98,077)	(7,907)
FINANCING ACTIVITIES		
Issue of share capital	918	193
Net cash inflow from financing activities	918	193
DECREASE IN CASH AND CASH EQUIVALENTS	(97,159)	(7,714)
Cash and cash equivalents at beginning of period	70,840	69,447
Effect of foreign exchange rate changes	(411)	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>(26,730)</u>	<u>61,733</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	33,437	28,276
Time deposits	50,283	85,382
Bank overdrafts	(3,780)	-
Trust receipt loans	(106,670)	(51,925)
	<u>(26,730)</u>	<u>61,733</u>

## NOTES TO FINANCIAL STATEMENTS:

### 1. Basis of preparation and accounting policies

The unaudited interim results of the Group have been prepared in compliance with Hong Kong Statement of Standard Accounting Practice ("SSAP") No. 25 "Interim financial reporting" issued by the Hong Kong Society of Accountants ("HKSA").

The accounting policies and basis of preparation used in the preparation of these condensed interim financial statements are the same as those used in the annual financial statements for the year ended 31st March, 2001 except that the Group has changed certain of its accounting policies following its adoption of the following SSAPs issued by the HKSA which are effective for accounting periods commencing on or after 1st January, 2001:

SSAP 9 (revised):	Events after the balance sheet date
SSAP 14 (revised):	Leases (effectively for periods commencing on or after 1st July, 2000)
SSAP 30:	Business combinations

The effects resulting from the adoption of these SSAPs are set out below:

- (a) In accordance with the SSAP 9 (revised), the Group no longer recognises dividend proposed after the balance sheet date as a liability at the balance sheet date. This change has been applied retrospectively and comparative figures have been restated. The proposed final dividend of HK\$8,709,000 for the year ended 31st March, 2001, which had been recognised as a liability in the annual report, is now reclassified to the proposed final dividend account within the capital and reserves section of the balance sheet.
- (b) In note 11 to these condensed interim financial statements, the Group has disclosed its total future aggregate minimum lease payments under non-cancellable operating leases in accordance with the SSAP 14 (revised). In the annual report for the year ended 31st March, 2001, the Group had disclosed the commitments to make payments in the next twelve months under operating leases.
- (c) Under SSAP 30, goodwill arising from business combination after 1st January, 2001 is capitalised and amortised over its estimated useful life. There is a rebuttable presumption that the useful life of goodwill will not exceed twenty years from initial recognition. The Group has taken advantage of the transitional provisions in SSAP 30 and goodwill which was previously eliminated against reserves has not been retrospectively capitalised and amortised.

## 2. Segmental Information

The Group's turnover and contribution to profit from operating activities for the period ended 30th September, 2001 were derived entirely from the selling of computer products and investments and the provision of engineering and software services. An analysis of the Group's turnover and contribution to profit from operating activities by principal activities and geographical area of operations for the period ended 30th September, 2001 is as follows:

	<b>(Unaudited) Turnover</b>		<b>(Unaudited) Contribution to profit from operating activities</b>	
	<b>Six months ended 30th September</b>		<b>Six months ended 30th September</b>	
	<b>2001</b>	<b>2000</b>	<b>2001</b>	<b>2000</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
By principal activities:				
Sales of Goods	486,672	463,455	2,187	17,292
Rendering of Services	141,829	117,023	7,790	16,905
Investment Activities	–	–	15,091	–
	<u>628,501</u>	<u>580,478</u>	<u>25,068</u>	<u>34,197</u>
By geographical areas:				
The People's Republic of China:				
Hong Kong	613,959	573,286	25,072	34,740
Macau	9,901	6,908	(218)	71
Taiwan	3,028	–	1,024	(16)
Thailand	1,613	284	(810)	(598)
	<u>628,501</u>	<u>580,478</u>	<u>25,068</u>	<u>34,197</u>

### 3. Profit from Operating Activities

	<b>(Unaudited)</b>	
	<b>Six months ended</b>	
	<b>30th September</b>	
	<b>2001</b>	<b>2000</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
TURNOVER	628,501	580,478
Cost of sales and services	<u>(462,478)</u>	<u>(434,532)</u>
Gross profit	166,023	145,946
Other revenue	3,264	3,049
Gain on partial disposal of an interest in an associate	15,091	-
Sales and technical support costs	(128,976)	(87,073)
Distribution costs	(8,716)	(7,962)
Administrative expenses	<u>(21,618)</u>	<u>(19,763)</u>
	<u>25,068</u>	<u>34,197</u>

### 4. Tax

	<b>(Unaudited)</b>	
	<b>Six months ended</b>	
	<b>30th September</b>	
	<b>2001</b>	<b>2000</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong profits tax		
Group	3,922	6,486
Overseas taxation		
Group	322	1,398
Associates	<u>939</u>	<u>2,482</u>
	<u>5,183</u>	<u>10,366</u>

Hong Kong profits tax is calculated at 16% (2000: 16%) on the estimated assessable profit derived from Hong Kong.

Taxation for overseas operations is charged at the appropriate current rates of taxation in which the subsidiary and associated companies operate.

### 5. Interim dividend

The Directors declared an interim dividend of 2.0 cents per share (2000: 3.0 cents) for the six months period ended 30th September, 2001 to shareholders whose names appear on the register of members of the Company on 21st December, 2001. The dividend warrants will be despatched on 28th December, 2001.

## 6. Earnings Per Share

Basic and diluted earnings per share is based on the net profit attributable to shareholders of HK\$23,800,000 (2000: HK\$31,726,000).

The basic earnings per share is based on the weighted average number of 287,806,667 shares (2000: 284,591,667) in issue during the period. The diluted earnings per share is based on 290,398,498 shares (2000: 291,184,473) which is the weighted average of shares in issue during the period plus the weighted average number of 2,591,831 shares (2000: 6,592,806) deemed to be issued at no consideration if all outstanding share options have been exercised.

## 7. Trade Debtors

Included within current assets is a trade debtors balance of HK\$233,654,000 (31st March, 2001: HK\$189,675,000). The Group maintains a defined credit policy and grants credit to substantially all of its debtors for 30 days. The ageing analysis of trade debtors was as follows:

	<b>(Unaudited)</b> <b>30th September</b> <b>2001</b> <i>HK\$'000</i>	<b>(Audited)</b> <b>31st March</b> <b>2001</b> <i>HK\$'000</i>
Current	131,865	88,433
0-1 month	49,591	54,852
1-2 months	25,236	10,353
2-3 months	21,106	17,285
Over 3 months	5,856	18,752
	<hr/>	<hr/>
Total	233,654	189,675

## 8. Trade and Bills Payable

Included within current liabilities is a trade and bills payable balance of HK\$102,703,000 (31st March, 2001: HK\$111,454,000). The ageing analysis of trade and bills payable was as follows:

	<b>(Unaudited)</b> <b>30th September</b> <b>2001</b> <i>HK\$'000</i>	<b>(Audited)</b> <b>31st March</b> <b>2001</b> <i>HK\$'000</i>
Current	73,971	74,729
0-1 month	22,540	30,027
1-2 months	2,805	4,498
2-3 months	606	914
Over 3 months	2,781	1,286
	<hr/>	<hr/>
Total	102,703	111,454

## 9. Liquidity and Capital Resources

As at 30th September, 2001, the Group had total assets of HK\$753 million which were financed by current liabilities of HK\$393 million, deferred tax of HK\$6 million, minority interests of HK\$2 million and shareholders' equity of HK\$352 million. The Group has a working capital ratio of approximately 1.35:1. The Directors believe that the Group has a healthy working capital ratio.

As at 30th September, 2001, the Group had aggregate composite banking facilities from banks of approximately HK\$520 million, of which approximately HK\$151 million had been utilised.

## 10. Related Party Transactions

During the period, the Group had the following transactions with related parties:

	Notes	<b>(Unaudited)</b>	
		<b>Group</b>	
<b>Six months ended</b>			
<b>30th September</b>			
		<b>2001</b>	<b>2000</b>
		<i>HK\$'000</i>	<i>HK\$'000</i>
Management fees received from Automated Systems (PRC) Limited	<i>(i)</i>	838	967
Rental income received from Automated Systems (PRC) Limited	<i>(ii)</i>	41	94
Sales to Automated Systems (PRC) Limited	<i>(iii)</i>	872	2,318
Purchases from Automated Systems (PRC) Limited	<i>(iv)</i>	534	616
Sales to CSA Automated Pte. Limited	<i>(iii)</i>	238	2,371
Purchases from CSA Automated Pte. Limited	<i>(iv)</i>	133	156
Sales to CSA (M) Berhad	<i>(iii)</i>	608	-
Purchases from CSA (M) Berhad	<i>(iv)</i>	21	417
Purchases from CSA P.T. Cita Simas Artha	<i>(iv)</i>	16	16
Purchases from CSA Msc Sdn Bhd	<i>(iv)</i>	188	465
Service fee received from CSC Computer Sciences Pte Ltd.	<i>(v)</i>	309	-
Sales to CSC Computer Sciences Pte Ltd.	<i>(iii)</i>	1,056	-
Rental income received from CSC Computer Sciences (Hong Kong) Ltd.	<i>(vi)</i>	156	-
Sales to CSC Computer Sciences (Hong Kong) Ltd.	<i>(iii)</i>	581	-
		<b>581</b>	<b>-</b>

- (i) The management fees related to warehousing, corporate secretarial services, office and personnel administration services, centralised computer services and accounting services incurred by the Group on behalf of Automated Systems (PRC) Limited ("ASLPRC"). The recharge is based on a formula which is based on the sales of ASLPRC as a percentage of the total of the Group's and ASLPRC's sales multiplied by the Group's total general and administrative costs.
- (ii) The rental income related to a property included in fixed assets which was rented to ASLPRC for office use. The average monthly rental of approximately HK\$7,000 (2000: HK\$16,000) was calculated by the reference to open market rentals as confirmed to the Company by a firm of independent real estate agents.
- (iii) Sales to the related companies are made according to the published prices and conditions to the major customers of the Group.
- (iv) Purchases from the related companies are made according to the published prices and conditions similar to those offered by the major suppliers of the Group.
- (v) The amount related to the Group's staff cost that charged to CSC Computer Sciences Pte Ltd..
- (vi) The rental income related to a property included in fixed assets which was rented to CSC Computer Sciences (Hong Kong) Ltd. for Data Centre use for the period from April-2001 to May-2001. The average monthly rental was approximately HK\$69,000.

In the opinion of the directors, the above transactions arose in the ordinary course of the Group's business.

## 11. Commitments

### Capital Commitments

At the balance sheet date, the Group had the following capital commitments, which had not been provided for in the financial statements:

	<b>Group</b>	
	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>30th September</b>	<b>31st March</b>
	<b>2001</b>	<b>2001</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Contracted for	205	4,934
	<hr/>	<hr/>
	205	4,934
	<hr/>	<hr/>

### Operating Lease Commitments

At the balance sheet date, the Group had total future minimum payments under non-cancellable operating leases in respect of lands and buildings as follows:

	<b>Group</b>	
	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>30th September</b>	<b>31st March</b>
	<b>2001</b>	<b>2001</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Payables:		
Within one year	3,474	5,595
In the second to fifth years, inclusive	1,790	4,083
	<hr/>	<hr/>
	5,264	9,678
	<hr/>	<hr/>

## MANAGEMENT DISCUSSION AND ANALYSIS

### Financial Review

Turnover of the Group for the period ended 30th September, 2001 was approximately HK\$629 million and net profit before tax and minority interest was approximately HK\$29 million.

### Financial Resources and Liquidity

As at 30th September, 2001, the Group had an aggregate composite banking facilities from banks of approximately HK\$520 million which amounted HK\$151 million being utilized (31st March, 2001: HK\$111 million), include trust receipt loan of HK\$107 million and bank overdrafts of HK\$4 million. The Group's interest-bearing debt to equity ratio as at 30th September, 2001 was 31.4% (31st March, 2001: 23.9%).

There was no material exposure to fluctuations in exchange rates, and therefore no related hedging financial instrument was applied during the six-month period ended 30th September, 2001. There was no charges on the Group's assets as at 30th September, 2001

### Partial Disposal of an Associate and other significant investment

The Group disposed part of the interest of the associated company – Data Systems Consulting Company Limited and obtained a gain on disposal of around HK\$15 million.

As at 30th September, 2001, the Group's equity interest in the associate, Data Systems Consulting Company Limited ("DSC") was 22.03%. The Group's share of profit from DSC was approximately HK\$6 million for the six-month period ended 30th September, 2001.

### Contingent Liabilities

Company corporate guarantees to banks and vendors as security for banking facilities and goods supplied to the Group amounted to approximately HK\$382 million. The performance bond issued by the Group to customers as security of contract was approximately HK\$14 million.

### Employee Relation

As at 30th September, 2001, the Group had a work force of about 1030, 987 worked for Hong Kong operations while 14 worked in Macau, 3 worked in Taiwan and 26 in Thailand. The Group provides in-house training programmes for staff to enhance their skills and job knowledge. Communication and unity among staff is also placed great emphasis within the Group. Certain of the employees of the Group are entitled to the share option scheme.

## BUSINESS REVIEW

Over the past 28 years, the Group has been successful in overcoming the business challenges during times of economic recession. With proactive and flexible business strategies, the Group has been able to develop healthy business and continues to increase its market share. The Group regards the current weak economy as an opportunity to capture the new potential markets and customers, paving the way for further growth when the economy recovers.

With an active expansion strategy in place, the Group continued to report revenue growth and achieved positive results for the six-month period ended 30th September, 2001.

The Group's turnover grew 8% to HK\$629 million as compared to the corresponding period last year. Profit attributable to shareholders however was down 25% to HK\$24 million as compared to the corresponding period last year HK\$32 million. Earnings per share were 8.27 HK cents.

The government and education sectors continue to show good business growth. They together accounted for almost 50% of the Group's total turnover, contributing largely to the Group's overall business growth. The commercial sector also reported a growth through the Group's active effort in exploring new business and gaining new customers across different industries in the sector whilst the finance & banking and the telecommunication sectors contracted.

Gross profit increased by 14% to reach HK\$166 million. In view of the rising market demand for a variety of IT services, the Group further expanded in the service business operations by increasing manpower. The expansion resulted in an immediate increase in overhead expenses and therefore affected the operating income for the period.

The provision of engineering and software services business continues to benefit the Group with recurring and stable income. During the period, service income grew 21%, accounting for 23% of the Group's total turnover. The Group's successful expansion of outsourcing business in the government and multinational sectors was a contributor for such growth.

In respect of bulk contracts, the Group's subsidiary, ELM Computer Technologies Limited, together with IBM, won the government's UNIX and SAN bulk contract worth over HK\$45 million in May this year. Other bulk contracts that the Group serviced during the period, included the PC and Network bulk contract for government departments, the Education bulk contract for primary and secondary schools and the PC Equipment and IT Services bulk contract for the Vocational Training Council.

In August this year, the Group received the "Best Overall Performance Award" from Oracle in recognition of its remarkable sales for Oracle technology products. Significant growth was achieved over the past 12 months.

The offices established in Thailand and Taiwan have been in operation since year 2000, with their business focuses targeting the IT services and the outsourcing business respectively. Though the IT service industry has not been fully developed in these two countries, both offices are expected to capture a substantial part of the market share in the future when business and the technology industry in these countries become more mature.

## **PROSPECTS**

We expect the public sector will continue to generate the major business opportunities to the Group. The government has been driving Hong Kong to be a digital city and almost all civil services need to go electronic very soon. The government has also encouraged IT applications in school learning and has won strong support from the education sector. Therefore, there is imminent demand for further IT investment and the Group is confident to explore more new business from them.

In addition, as the Group is now well equipped with a skilled team of staff, it is able to allocate resources to tap into part of the commercial sector which has not been fully explored by the Group before. With the reputation established in the industry, the Group has successfully entered into new market segments in this target sector, such as gaining a leading property agency and a leading fast food chain group as the Group's customers.

To cope with the demand emerging from the growing trend of outsourcing services from multinational companies, government departments and business enterprises, the Group has partnered with the US-based Computer Sciences Corporation, its ultimate holding company, to acquire outsourcing business with global companies. Moreover, leveraging on this valuable experience, the Group has been able to obtain new service contracts from local government agencies. These contracts will benefit the Group with recurring and stable revenues lasting several years.

The Group will continue to seek for cooperation with more IT partners, introducing more technology products to meet customer needs. It will also enhance the relationship with existing IT partners to create new business cooperation with them. At present, the Group is the iForce Channel Development Provider of Sun Microsystems and Value-Added Distributor of Oracle. These new appointments have enabled the Group to migrate into the service-enriched channel development arena. In this context, the Group provides full technical and service support to the channel partners including systems integrators, solutions providers and independent software vendors.

To ride on the success of the database and application server market, the Group has expanded into the technology hosting service business as well. In May this year, the Group was appointed as Oracle's Technology Hosting Partner with services covering all Oracle technology product licenses, hotline telephone support and free license upgrade. The business can cater to the needs of Internet Data Centres, Internet Service Providers, Independent Software Vendors and Application Service Providers. It benefits the Group with good market potential.

In the future, the Group will continue to amalgamate its specialties as a total IT service provider. It is fully committed to creating value proposition for its customers, thereby expanding the service business. The Group will also be conscious of the present adverse economic conditions which may have potential impact on its performance in the coming future. However, the Group's competitive advantages together with strong market position will enable the Group to explore new business opportunities and help the Group to face the challenges ahead.

## DIRECTORS' INTERESTS

As at 30th September, 2001, the interests of the directors and their associates in the share capital and share options of the Company and its associated corporations (as defined under the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance")), as recorded in the register maintained pursuant to Section 29 of the SDI Ordinance were as follows:

### 1. Interests in the Company:

#### (a) Company's share

Name	Nature of interest	Number of Ordinary shares
Peter KUO Chi Yung	Personal	8,771,241
LAI Yam Ting	Personal	4,091,621

#### (b) Company's options

Details of share options granted to directors which remained outstanding as at 30th September, 2001 were as follows:

Name	Date granted	Exercise Price (HK\$)	Exercisable Period		Granted	Number of option shares outstanding at
			From	To		30-09-2001
Peter KUO Chi Yung	02.03.1999	0.90	03.03.2001	02.03.2009	500,000	500,000
	19.10.1999	2.30	20.10.2001	19.10.2009	245,000	245,000
	11.02.2000	3.35	12.02.2002	11.02.2010	245,000	245,000
	27.07.2001	2.40	27.07.2003	26.07.2011	218,000	218,000
LAI Yam Ting	02.03.1999	0.90	03.03.2001	02.03.2009	490,000	490,000
	19.10.1999	2.30	20.10.2001	19.10.2009	245,000	245,000
	11.02.2000	3.35	12.02.2002	11.02.2010	245,000	245,000
	27.07.2001	2.40	27.07.2003	26.07.2011	196,000	196,000
Edward LAU Ming Chi	19.10.1999	2.30	20.10.2001	19.10.2009	120,000	120,000
	11.02.2000	3.35	12.02.2002	11.02.2010	120,000	120,000
	27.07.2001	2.40	27.07.2003	26.07.2011	148,000	148,000

## 2. Interests in Associated Corporations:

<b>Name of Subsidiary</b>	<b>Name of Director</b>	<b>Nature of Interest</b>	<b>Number of non-voting deferred shares</b>
Automated Systems (H.K.) Limited	Peter KUO		
	Chi Yung	Personal	2,140,000
	LAI Yam Ting	Personal	1,070,000

### *Notes:*

Save as disclosed above and certain nominee interests in the subsidiaries held in trust for the benefit of the Company, no director held any interest beneficial or non-beneficial, in the share capital of the Company or its associated corporations.

## **CLOSURE OF REGISTER OF MEMBERS**

The Register of Members of the Company will be closed from 18th December, 2001 to 21st December, 2001, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's registrars, Tengis Limited at 4th Floor, Hutchinson House, 10 Harcourt Road, Hong Kong, for registration not later than 4:00 p.m. on 17th December, 2001.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

During the six months period ended 30th September, 2001, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

## **AUDIT COMMITTEE**

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited interim results.

## **SUBSTANTIAL SHAREHOLDERS**

As at 30th September, 2001, according to the register kept by the Company under section 16(1) of the SDI Ordinance, CSA Holdings Ltd., which held 189,701,896 shares was the only registered interest in 10% or more of the issued share capital of the Company.

## CODE OF BEST PRACTICE

None of the directors of the Company is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the accounting period under review, in compliance with Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, except that non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

By Order of the Board  
**Kuo Chi Yung, Peter**  
*Deputy Chairman & Managing Director*

8th November, 2001